

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

May 18, 1999

LB 881

for the credit proposal. But we can leave that to subsequent bienniums. The mechanism will be there. The third component is about \$35 million that would be used to prefund, if you will, the dime drop in K-12 education levies that is scheduled to occur for the year 2001. And, of course, in that year the property tax relief that people across the state of Nebraska would see is that direct reduction in the K-12 levies. That reduction in funding, from property taxes, that 10 cent reduction would have to be funded then from general state dollars, through our state aid formula. Our current estimate is that that would cost about \$84 million, under our current formula, current conditions. Whether it turns out to be \$84 million, we'll wait and see, but that's the current estimate. Thirty-five million dollars is set aside to partially fund that estimated \$84 million in the year 2001 so that we can actually accomplish that dime drop. I think there are some people who thought that we would get to that year in the proposal and not be able to fund it, and we would have to back off our commitment to reduce property taxes. By prefunding \$35 million of it, I think we'll be able to meet that commitment. There's another potential in the bill for some additional prefunding for that dime drop, and that is related to the amount of money that we have set aside in this biennium budget that you've already adopted, and I'm assuming that the Governor will sign. That provides for K-12 funding in the next school year. If that number is too large, that is larger than the certification for next February 1st, then the difference, between the amount that we have in the budget and the certification, will also go into a fund to prefund the dime drop in the year 2001. Again, an effort to find the monies and make it possible for us to meet our commitments in the year 2001. The...another component of the committee amendment,...

PRESIDENT MAURSTAD: One minute.

SENATOR WICKERSHAM: ...at the suggestion of the Governor, is that taxpayers receive, on an annualized basis, comparative statements, so they can easily compare prior year's taxes with the current year's taxes. And they can see whether their taxes are actually going up or down, and who to hold accountable for that movement. And then finally all of the \$100 million that I've been discussing would be obtained from the Cash Reserve,